
DEPARTMENT OF EMPLOYMENT SERVICES

Agency Performance Oversight Hearing - FY 2008-2009



Testimony of Joseph P. Walsh
Acting Director
Department of Employment Services

Adrian M. Fenty
Mayor

COMMITTEE ON HOUSING & WORKFORCE DEVELOPMENT
Honorable Councilmember Marion Barry, Chairman

Thursday, March 19, 2009
Friday, March 20, 2009

2:00 p.m.

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John A. Wilson Building
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Agency Performance Oversight Hearing - FY 2008-2009
Committee on Housing & Workforce Development

AS PREPARED FOR DELIVERY
Friday, March 20, 2009- 2:00 p.m., Room 412

Good afternoon Chairperson Barry and members of the Committee on Housing & Workforce Development. I am Joseph Walsh, Acting Director the Department of Employment Services. I appreciate the opportunity to testify before you today at the Agency Performance Oversight Hearing FY2008-2009.

I want to take a moment to acknowledge several members of the DOES senior management team who joined me yesterday to hear the public testimony including, Susan Gilbert, Associate Director for Employer Services, Valerie Kitchings, Interim Unemployment Compensation Director and Mohammed Sheikh, who directs the Labor Standards Bureau. Also in attendance was Ibrahim Koroma, the Agency Fiscal Officer. Jerrienne Anthony, Director of Youth Programs, had hoped to join us as well but had an unavoidable scheduling conflict.

Chairperson Barry, during one of our first conversations about DOES and the jobs and workforce needs of the District you made clear to me that you intended to conduct vigorous oversight of the agency's performance, and I responded that I looked forward to that. I truly believe that working together to identify areas that need improvement in performance is essential to meeting our collective goals of creating a high performing agency in order to better serve the people of the District of Columbia. And it also provides an opportunity to inform you and the Committee and the general public of the progress we are making on some important reform efforts. So I appreciate this opportunity to discuss the agency's performance today.

There is quite a bit for us to discuss today, but I do want to make a few observations at the outset.

In the roughly 90 days since becoming Acting Director of DOES, I have begun a review of all the agency's programs, management, staffing and performance, as well as to plan for the changes we need to make to address the future labor and workforce needs of the District. I have met with DOES employees, local business leaders, heads of not-for-profit service organizations and CBOs, public policy officials, Councilmembers, and others to hear their perspective on what needs to be done to improve our workforce policies and programs, and also share some of my thoughts and goals.

I am proud to say that in a very short period of time we have made extraordinary progress in some very important areas. But it also clear to me in my first 90 days that there is much more work to be done in order to reform the agency, refocus on workforce issues, and improve performance.

During my testimony to the Committee at the hearing on Unemployment Issues in the District and again at my Confirmation Hearing, I outlined some of the issues I had discovered and some of the solutions I was pursuing, both in terms of improving basic service delivery and in long-term planning. Let me highlight just a few of the most tangible results of our work to date.

Unemployment Compensation:

During the last 90 days, several issues regarding service delivery have been discovered – many directly relating to the unprecedented increase in volume that the workforce development programs have experienced in light of the national economic downturn. In particular, the District's existing unemployment compensation system was strained beyond capacity. There had been several long-standing problems with the UI operations that have were exacerbated by the unprecedented volume of claims. We were seeing a combination of frequent busy signals on our phone lines and backlogged cases for adjudication – all of which were beginning to create unacceptable delays in some unemployed residents receiving their first claim check.

After a few weeks of intensive planning, we identified the need for new technology, new staffing plans and for a business process redesign, and we took the following steps:

- Increased the number of phone lines from 20 to 126
- More than tripled the number of initial claims takers from six to twenty-one.
- Extended hours for the call center – Monday through Thursday, 8:00 am to 7:30 pm, Friday, 8:00 am to 4:30, and Saturday, 8:00 am to 1:00 pm.
- And created a new website with more detailed information for claimants at www.unemployment.dc.gov

We also implemented the Federal Additional Compensation (FAC) of \$25.00 per week, retroactive to the week ending February 28, 2009, and have been preparing to implement the latest federal extension of unemployment benefits for those who have exhausted their benefits.

And I want to take a moment to thank you, Chairman Barry, and Council Chairman Gray for your efforts to introduce the emergency legislation necessary to extend unemployment benefits to claimants for an additional 20 weeks. As you know, the District's unemployment is now 9.3%, the highest it's been since the

early 1980s, and providing these extended benefits without any gap is tremendously important.

One Stop Career Centers:

Similar to the challenges in Unemployment Compensation, the District's One Stop Career Centers are now overloaded due to the dramatic increase in volume created by the national recession. In addition, many of these facilities are inadequate and have equipment in poor condition due to past neglect and inattention. In the last 90 days we have begun a complete review of the One Stop system performance and needs.

We also immediately embarked on several short term measures to improve the delivery of basic services to job seekers who use the One Stops. These include:

- Extended the hours for the full service One Stop Career Centers – now open on Saturday 9am – 12 noon at Franklin St. and Naylor Road OSCCs, and until 7:00 pm on Wednesday at the Naylor Road One Stop.
- Adding additional computers have been added at the OSCCs to assist with claims filing and job seeking, and we have adopted as a principle that 100% of the Career Center equipment should be working 100% of the time.

As we've discussed before, many more improvements to the OSCCs will be made during the remainder of this fiscal year; we are in the middle of an agency-wide planning process on One Stop improvements right now.

Summer Youth Employment Program:

On Wednesday the Administration was proud to announce the start of the Summer Youth Employment Program. After months of planning among District agencies, tremendous coordination and partnership among the Executive agencies, administrative and management systems for SYEP have been greatly improved from previous years. Among the significant program changes to improve service delivery are:

- For the first time, registration will be entirely online providing youth with an easier registration process.
- Registration in this year's program will still be on-going throughout the summer; however youth who register by May 1 will have the opportunity to choose their top 5 summer jobs preferences. (Those who register after that date will be automatically assigned to a work assignment.)
- The time and attendance and payroll systems have been improved with the services of one of the nation's largest payroll firms. New approval

procedures will create checks and balances on payroll.

- And as important as the management and administrative changes are, just as important is that from the youth's perspective the program will be improved as well. Online registration has already proven easier than how it was done in previous years. Youth can register from home or, if they don't have access to a computer at home, at schools, libraries, and rec centers all throughout the city where trained staff and mentors will be there to guide them. And nearly 3,000 youth have already registered on line by going to the new website: www.summerjobs.dc.gov

In addition, we have already identified nearly 21,000 job placement opportunities, including more than three times the number of private sector job opportunities already than all of last year. I want to underscore that point: last year the program had about 368 private sector placements; already this year nearly 1100 private sector jobs have been offered as employers have rallied to the call to make this a success.

- And I would be remiss if I did not use this opportunity to let you know that next week – during the public school vacation week – we will be holding a two day Summer Youth Job Expo on Wednesday and Thursday March 25 and 26 from 10 am – 6 pm at the Walter E. Washington Convention Center. The Summer Employment Job Expo will be an opportunity for youth to meet nearly 200 potential employers and also get assistance in registering to participate in the program.
- Overall, this year we are expecting thousands of youth to participate in the District's summer youth work experience, which will be one of the largest and most ambitious in the nation.

In addition to these initiatives, DOES has begun new partnership with the Department of Corrections, launching a new Work Readiness Center at the DC Jail as part of the Administration's increased focus on assisting returning ex-offenders as they transition back to their communities and to job readiness and employment opportunities.

I have expanded our community outreach efforts, designating a key staff member to be the community outreach coordinator and put him in charge of all of the Agency's community outreach staff and efforts – with a primary goal of being more proactive in our work with the residents and community.

We have also been actively working with the Workforce Investment Council and its new chair to provide support and help re-invigorate the Council so it can become an active participant in the development of workforce policy and fulfill its federally mandated oversight responsibilities.

As I said, we have made a lot of change and progress in just 90 days, but more certainly needs to be done:

- For example, we are not maximizing the potential for use of DOES' federal adult workforce training dollars. We need to improve this – and fast – so that these training dollars can be available right now to those who are unemployed or under-employed and need assistance the most. For example, as you know, to date DOES has only expended about \$1.8 million in adult training funds through the Individual Training Accounts or ITAs. We have to do better. We will immediately begin to program another \$2 million in federal WIA training dollars for adult training.

This will be the beginning of the Administration's efforts to expand our adult job training opportunities, especially in the growth sectors of "green collar" jobs, health care and hospitality.

- Several of our federal performance measures have been in decline in recent years. We have formed a great working partnership with US Department of Labor's regional team to work collaboratively to focus on improving our agency performance and meeting our federal performance goals, especially those where for the past several years the agency has not consistently met the goals. We are now developing specific plans to meet those required performance measures as soon as possible.
- And finally we have been working with our own staff on a critical area: customer service. It is essential that we change the way we approach serving our customers. I want to be clear that many members of the DOES staff do extraordinary work in this area: they recognize the difficult situation our customers are going through right now, they are treating our customers the with the respect they deserve and in the manner we would all want our own friends and family members to be treated if they were coming in for assistance, and they go above and beyond, taking extra steps to provide superlative customer service. We heard some of those positive stories yesterday during the public testimony. But we need to make that level of customer service the standard for everyone in our agency. I have been working on this with our managers and our line staff, and we will do this on an ongoing basis until the agency becomes a model for customer service.

There are many other things we are working on right now, but for the sake of time I will stop my introductory comments there. As I think about what it is we have to achieve, I have to remind myself that DOES did not get to where it is today overnight. But as I tell members of the agency staff whenever I meet with them, we have to work with a new sense of urgency to make the change we need to make. And that working together with the men and women who serve the District's residents at DOES, I am committed to making sure that our agency

becomes the highest performing agency in District government, a model of innovation, and one that can fully realize its mission to prepare the workforce for jobs of the 21st century economy.

The times call for no less. Our work is essential, especially in the difficult economic times as we face today. And as we gear up to invest millions in stimulus dollars provided through the American Recovery and Reinvestment Act of 2009, we must quickly ramp up our support for workforce training. This effort is critically important. We must prepare DC residents now for available jobs and for those sectors that will grow when the economy recovers.

As I said in a previous appearance before the committee, I truly believe that right now our agency has the most important mission in District Government, to provide the basic services people depend on to live as well as developing the long-term programs and strategies that will create a pathway that will lead to job readiness and a new job or educational opportunity. We must be committed to new thinking and new approaches to serve the people of the District better, because so many people are counting on us right now.

Thank you again for this opportunity to testify. I look forward to answering your questions.